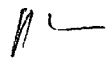


MICHIGAN STATE
U N I V E R S I T Y

May 20, 2002

MEMORANDUM

TO: THE HONORABLE SPENCER ABRAHAM
SECRETARY OF ENERGY

FROM: CHAIRMAN PETER MCPHERSON 
SECRETARY OF ENERGY ADVISORY BOARD

SUBJECT: Transmittal of letter report prepared by Laboratory Operations
Board Working Group on "Need for and barriers to the
adoption of the 'DOE Best Practices Pilot'"

The enclosed letter report was reviewed on May 8, 2002, by the Secretary of Energy Advisory Board (SEAB) and was approved by them for your consideration. Also enclosed is the accompanying cover letter from the External Chairman of the Laboratory Operations Board.



OFFICE OF

THE PRESIDENT

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The Laboratory Operations Board is a standing subcommittee of the SEAB. The LOB formed the working group at the request of Under Secretary Card to consider best practices identified by the Lawrence Berkeley National Laboratory. The purpose of the effort was to suggest ways to simplify the management structure and relationship between the lab and DOE. The Laboratory Operations Board endorsed the principles put forward in the Berkeley effort, but recommended measures that should be taken in initiating a pilot.

The SEAB members caution that success in adopting the principles and measures suggested in the report will require a serious and sustained effort on the part of DOE headquarters and SEAB appreciates your deep interest in the topic of the report.

Enclosures (2)